

**PORT OF LOS ANGELES VSBE TRUCK GRANT PROGRAM  
GRANT AGREEMENT**

This Grant Agreement (“Agreement”), dated as of \_\_\_\_\_, 20\_\_\_\_, is entered into between the City of Los Angeles, a municipal corporation, acting by and through its Board of Harbor Commissioners (the “Port”) and <GRANTEE NAME>, a <GRANTEE ORGANIZATION TYPE> (“Grantee”).

**RECITALS**

A. The Port has adopted a Clean Trucks Program (the “Clean Trucks Program”) to reduce drayage truck-related air pollution through a ban that since January 1, 2012 has required all drayage trucks serving the Port to have engines that meet or exceed United States Environmental Protection Agency (“EPA”) 2007 emissions standards (“Clean Trucks”).

B. Under the Clean Trucks Program, the Port has provided certain grants and financial incentives to assist licensed motor carriers with the cost of replacing older, higher polluting drayage trucks serving the Port with Clean Trucks.

C. On August 15, 2011, the California Attorney General entered into a Consent Judgment in Los Angeles Superior Court Case No. BC 338956 with certain marine terminal operators located in the Port, which required the marine terminal operators to make payments to the Port’s Clean Trucks Program in the aggregate amount of \$746,666. The Port has agreed to use such settlement funds to fund grants to assist motor carriers, particularly small businesses, to acquire Clean Trucks for use in the Port under a new program, the Port of Los Angeles Very Small Business Truck Grant Program (“VSBE Truck Grant Program”).

D. Port and Grantee have entered into a Drayage Services Concession Agreement For Access to the Port of Los Angeles, and has submitted an Application for VSBE Truck Grant (the “Grant Application”) which has been approved by the Port for grant funding towards the purchase of a Clean Truck, on the terms and conditions set forth herein.

NOW, THEREFORE, In consideration of their mutual promises, covenants, conditions, and the funds awarded under this Agreement, the parties agree as follows:

1. **ADDITIONAL DEFINITIONS**

In addition to the definitions set forth in the above Preamble and Recitals, the following terms have the following meanings:

**“Concession Agreement”** means the Drayage Services Concession Agreement For Access to the Port of Los Angeles between Grantee and the Port, and any other successor agreement between Grantee and the Port containing the terms and conditions of Grantee’s access to the Port’s terminals for delivery of drayage services under the Clean Trucks Program.

**“Drayage Service”** means transporting containers and/or other cargo to or from marine terminals located in the San Pedro Bay Ports, with the requirement that at least fifty percent (50%) must be to or from the Port of Los Angeles.

**“Eligible Grant Vehicle”** means a new or used, diesel-fueled or alternative-fueled, Class 8 On-Road Vehicle with a Gross Vehicle Weight Rating greater than 33,000 pounds, equipped with a heavy duty engine that meets or exceeds 2007 model year California or federal heavy-duty Diesel-Fueled On-Road emissions standards, that is purchased from a licensed truck dealership.

**“Grant”** means, a grant to a VSBE approved by the Port, up to a maximum of \$25,000 per each diesel-fueled Grant Vehicle, or a maximum of \$50,000 per each alternative-fueled Grant Vehicle.

**“Grant Vehicle”** means the specific vehicle approved by the Port for a Grant, listed in Schedule 2.

**“San Pedro Bay Ports”** means the Port of Los Angeles and the Port of Long Beach.

**“VSBE”** for the purposes of this Agreement, means a licensed motor carrier in good standing that has a valid Concession Agreement with the Port, that is also registered on the City’s Contracts Management and Opportunities Database, Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org> and certified as a small business enterprise that has average annual gross receipts of \$3,500,000 or less within the previous three (3) years.

2. **CLOSING REQUIREMENTS FOR FUNDING GRANTS FOR GRANT VEHICLE**

A. Grant Application Package. The Grant Application Package is incorporated herein by this reference and Grantee represents and warrants to the Port that all information set forth in the Grant Application Package is complete, true and correct.

B. Schedule 1 Grantee Information. Grantee represents and warrants to the Port that the information regarding Grantee on Schedule 1 is complete, true and correct, and shall immediately advise the Port in writing if any of such information changes or ceases to be true and correct. The VSBE status is only required to be accurate as of the Agreement date, and if Grantee's business grows such that it is no longer a VSBE after such date, it will not affect this Agreement.

C. Schedule 2 Grant Vehicle. Grantee's Grant Application has been approved by the Port for grant funding towards the purchase of the "Grant Vehicle" listed in Schedule 2 to this Agreement. Grantee represents and warrants to the Port that the Grant Vehicle is an Eligible Grant Vehicle. The Port shall pay to Grantee, a grant up to a maximum of \$25,000 per each diesel-fueled Grant Vehicle, or a maximum of \$50,000 per each alternative-fueled Grant Vehicle. The Grant funds shall only be allowed to be applied toward the purchase of the specific Grant Vehicle described in Schedule 2.

D. Payment By Two-Party Check. \_\_\_\_\_ **(Initials)** By initialing this paragraph, Grantee authorizes the Port to issue a two-party check in the amount below per truck in the name of Grantee and the following licensed Truck Dealership:

Truck Dealership Name:	Amount of Two-Party Check:
_____	\$ _____
_____	
_____	

E. Certificate of Title – Lienholder Status. Grantee shall cause the "HARBOR DEPARTMENT, CITY OF LOS ANGELES" to be identified as lienholder on the certificate of title for such Grant Vehicle (and, following any such request, the Port shall continue to be so named as lienholder for the Term for such Grant Vehicle), unless the Port has agreed to the alternate arrangement to accommodate Grantee's financing as provided in Section 4F below.

F. Vehicle Financing. If Grantee shall have obtained, or shall obtain, a loan or other financing for any portion of the purchase price of any Grant Vehicle, or if any loan or other obligation shall be secured by any interest in any Grant Vehicle, then Grantee (i) shall provide a copy of such loan or financing documents to the Port, and (ii) shall cause the lender, financier or secured party to (A) acknowledge the Port's security interest in such Grant Vehicle, (B) agree to give notice to the Port of any default by Grantee in its representations, warranties or obligations with respect to such loan, financing or other obligation, and (C) agree to give notice to the Port prior to releasing its security interest in such Grant Vehicle (upon the release of such security interest, at the Port's request, Grantee shall cause the "HARBOR DEPARTMENT, CITY OF LOS ANGELES" to be identified as lienholder on the certificate of title for such Grant Vehicle and, following any such request, the "HARBOR DEPARTMENT, CITY OF LOS

ANGELES” shall continue to be so named as lienholder for the remaining Term for such Grant Vehicle); and (iii) authorizes the Port to pay (but with no obligation on the Port to pay) each Grant directly to such lender, financier or secured party.

G. Post-Funding Documentation. Within sixty (60) days following the Port’s funding of the Grant, Grantee shall deliver to the Port, the following documents with respect to each Grant Vehicle:

1. Copy of the Final Bill of Sale;
2. Certificate of Title reflecting Port as Lienholder, or alternative provided pursuant to Section 2F for financed vehicles;
3. Vehicle Registration;
4. Copy of Insurance Certificate or other evidence of insurance satisfactory to the Port;
5. Copy of Annual Federal Vehicle Inspection pursuant to Section 5B; and
6. Copy of Loan or Financing Documents required under Section 2F, if any portion of the purchase price of the Grant Vehicle was financed.

Grantee shall provide to the Port such other documents and information as the Port may reasonably request in order to fund the Grant and verify compliance with this Agreement.

H. Tax Reporting. Grantee understands that any payment received to fund the Grant Vehicle under this Agreement are subject to taxation and the Port will issue a IRS Form 1099 to the Grantee and will report the applicable tax information to the California Franchise Tax Board and the federal Internal Revenue Service.

### **3. AGREEMENT TERM**

This Agreement shall be effective upon execution and delivery hereof by both of the parties and shall remain in effect, for each Grant Vehicle, until the earlier of three (3) years or the Grant Vehicle’s completion of 450 Drayage Service Trips.

### **4. OBLIGATIONS OF GRANTEE DURING THE TERM**

A. Drayage Truck Registry and Drayage Service. Grantee shall acquire title to the Grant Vehicle specified in Schedule 2, register the Grant Vehicle in the State of California’s Drayage Truck Registry and the Port’s Drayage Truck Registry and place the Grant Vehicle into Drayage Service within ninety (90) days after the date of this Agreement.

B. Drayage Service Trips to San Pedro Bay Ports. Grantee shall make not less than One Hundred Fifty (150) annual Drayage Service Trips with such Grant Vehicle per year, totaling not less than Four Hundred Fifty (450) Drayage Service Trips over the three-year Term, in compliance with the Port’s tariffs and requirements. At

least 50 percent of the Drayage Service Trips must be made at POLA, equal to 75 POLA Trips per year and totaling 225 POLA Trips over the three-year Term. If a Grant Vehicle has made an aggregate total of 450 Drayage Service Trips (including 225 POLA Trips) prior to the end of three years from this Agreement's effective date, Grantee shall be deemed to have satisfied this requirement, such Grant Truck shall not be obligated to make additional Drayage Service Trips, and this Agreement shall terminate.

1. 150 Annual Drayage Service Trips – Repayment for Underachieved Minimum Annual Trips. Grantee is required to make 150 annual Drayage Service Trips within the San Pedro Bay Ports. If a Grant Vehicle fails to make at least a minimum 75 Drayage Service Trips within the San Pedro Bay Ports (50% of the annual requirement) within each one-year anniversary date of Grantee acquiring title to the Grant Vehicle, Grantee shall repay the Port within thirty (30) days of notice by the Port, a pro rata amount calculated as the failed percentage of 75 Drayage Service Trips times One-Sixth of the Grant Amount received by Grantee for such Grant Truck. For example, if a Grantee received a \$25,000 Grant Amount and its Grant Vehicle failed to make 6 of the minimum 75 annual Drayage Service Trips, then the failed percentage is 8 percent (6 divided by 75), and Grantee would be required to repay 8 percent of \$4,166.67 (One-Sixth of Grant Amount), or \$333.33. Grantee is permitted until the end of the three-year Term to achieve the remaining annual Drayage Service Trips before full repayment will be required, as described in Section 4.B.2, below.
2. 450 Drayage Service Trips Over Term – Repayment for All Underachieved Trips. If a Grant Vehicle fails to make the required minimum 450 Drayage Service Trips (including 225 Trips at POLA), by the end of the three-year Term, Grantee shall repay the Port within thirty (30) days of notice by the Port, a pro rata amount calculated as the failed percentage of 450 Drayage Service Trips times the amount of the Grant received by Grantee for such Grant Truck, less any amounts Grantee previously paid for past annual underachievement of minimum Drayage Service Trips under Section 4.B.1 above. For example, if a Grantee received \$25,000 and its Grant Vehicle failed to make 50 of the required 450 Drayage Service Trips, then the failed percentage is 11 percent (50 divided by 450), and Grantee would be required to repay 11 percent of \$25,000, or \$2,750. If the Grantee previously paid \$333.33 for the first year's non-achievement of minimum Drayage Service Trips as described in Section 4.B.1, above, then the net final amount due would be \$2,750 less the previously paid \$333.33 or \$2,416.67.

Failure to repay such amount(s) in full when due shall be considered a default under this Agreement and a major default of the Concession Agreement. Grantee may

petition the Executive Director to waive or reduce the amount owed by Grantee and/or the other consequences. The decision of the Executive Director, in his or her sole discretion, shall be final. While the petition is pending, the remedies under this Agreement and the Concession Agreement shall be stayed.

C. Inspection of Grant Vehicle and Records. Grantee agrees that, for the Term for each Grant Vehicle, the Port or designated representative(s) of the Port shall be allowed to inspect the Grant Vehicle and/or records relating to the Grant Vehicle. Grantee agrees that, for the Term for each Grant Vehicle, it shall maintain adequate records to demonstrate operation of each Grant Vehicle in accordance herewith. Grantee shall make records available to the Port or designated representative(s) of the Port at any time during the Term and for the period specified in Section 12.

D. California Registration. During the Term, each Grant Vehicle shall have California base-plated registration (dual plates, International Registration Plan (IRP), and any other out-of-state registrations are prohibited).

E. Concession Agreement. At all times during the Term for each Grant Vehicle, Grantee shall comply with all of its obligations under the Concession Agreement between the Port and Grantee.

F. Annual Reporting. Grantee shall submit annual reports on the Grant Vehicle that include the following information for the one-year period ending on each anniversary date of Grantee acquiring title to such Grant Vehicle, during the Term of this Agreement (“Anniversary Date”):

1. Updated Grantee contact information (name, address, phone etc.);
2. Proof of current California registration;
3. Documentation evidencing the number of trips to the San Pedro Bay Ports, or if requested by the Port, verification of a Trip Report provided by the Port;
4. Annual miles traveled (including mileage/activity logs for documentation);
5. Current odometer reading;
6. Summary of maintenance performed and inspections conducted;
7. Certification that the Grant Vehicle was operated in accordance with this Agreement and the Concession Agreement, and that all information in such certificate, the annual report and submitted therewith is true and accurate; and
8. Any other information reasonably requested by the Port or its designated administrator.

Each annual report for the Grant Vehicle is due within thirty (30) days following each Anniversary Date.

**5. INSURANCE; MAINTENANCE AND EQUIPMENT WARRANTY**

A. Grantee is responsible for securing and maintaining insurance as set forth on Schedule 3 attached hereto and incorporated by reference. Proof of insurance will be required prior to any payment of Grant funds under this Agreement.

B. Grantee shall deliver to the Port a copy of Federal Annual Inspection in accordance with 49 CFR, Part 396, FMCSR, conducted within twelve months prior to or one month following the date of purchase of the Grant Vehicle.

C. Grantee is responsible for maintaining the Grant Vehicle in good operating condition and according to manufacturer's recommendations and in such condition as to ensure the warranties on the Grant Vehicle remain in effect for the term thereof.

**6. INDEPENDENT CONTRACTOR**

Grantee, in the performance of the work required by this Agreement, is an independent contractor and not an agent or employee of the Port. Grantee shall not represent itself as an agent or employee of the Port and shall have no power to bind the Port in contract or otherwise.

**7. NO SALE, SUBLEASE OR-ASSIGNMENT**

Grantee may not assign, sell, lease, transfer, license, or subcontract any rights or obligations under this Agreement or in any Grant Vehicle to a third party without the prior written consent of the Port until this Agreement and all liabilities and obligations secured by it have been fully satisfied by Grantee. If the Grantee desires to sell, lease or otherwise dispose of any interest in any Grant Vehicle for any reason prior to the end of the Term, the Grantee shall notify the Port and any such sale, lease, or disposition shall be subject to the prior written consent for the transaction from the Port.

**8. SECURITY INTEREST**

In order to secure the prompt payment and performance by Grantee of all its obligations hereunder, Grantee hereby grants to the Port a continuing security interest in all of Grantee's right, title and interests (whether now owned and existing or hereafter acquired or arising) in and to each Grant Vehicle and all proceeds and products thereof and accessions thereto (collectively, the "Collateral"). Grantee shall comply with Sections 2F and 4F regarding causing the Certificate of Title for any Grant Vehicle to list the "City of Los Angeles Harbor Department" as a lienholder, hereby authorizes the Port to file such financing statements, and take such other actions, as Port may require in order to perfect its security interests in the Collateral.

**9. DEFAULT**

The occurrence of any of the following shall constitute a default by the Grantee hereunder (each, a “Default”):

A. Any Grant Vehicle being declared a total loss, stolen or non-operational such that Grantee is unable to perform the Drayage Service Trips required under this Agreement;

B. Failure of Grantee to timely complete or comply with any requirement under this Agreement, including without limitation: (i) acquiring title to any Grant Vehicle and listing the City of Los Angeles as lienholder on the Certificate of Title, (ii) registering any Grant Vehicle in the State or Port Drayage Truck Registry; (iii) commencing any Grant Vehicle into Drayage Service at the San Pedro Bay Ports; (iv) submission of any required documentation such as bill of sale, vehicle registration, proof of insurance or certificate of title listing Port as lienholder; (v) making the required 450 Drayage Service Trips within the three-year Term or repayment of the amount due to the Port for failed Drayage Service Trips (as required in Section 4B) within 30 days following written demand by the Port;

C. Grantee assigns, sells, leases, transfers, licenses, or subcontracts any rights or obligations under this Agreement or in any Grant Vehicle to a third party without the prior written consent of the Port until this Agreement and all liabilities and obligations secured by it have been fully satisfied by Grantee;

D. Failure to use the Grant funds to acquire the Grant Vehicle in accordance with this Agreement, or any illegal or improper use of Grant funds provided hereunder;

E. Failure of Grantee to maintain or submit documentation or reports in a timely manner or if any documentation or report provided is materially incorrect or incomplete;

F. Any representation, warranty or statement made by Grantee herein or in connection herewith is false or misleading in any material respect;

G. Any “Default” under, and as defined in, the Concession Agreement between the Port and Grantee shall have occurred; and

H. Any default by Grantee under any loan or other obligation secured by any interest in any Grant Vehicle.

**10. PROCEDURE AND REMEDIES FOR DEFAULT**

A. Enforcement Procedures. The following procedures shall apply in the event the Port issues a Notice of Default to Grantee:

1. The Port's Executive Director, or any employee of the Port designated by the Executive Director, may issue a Notice of Default to a Grantee whenever there is reason to believe that the Grantee has breached this Agreement or committed an event of Default as defined in Section 9, above.
2. A Notice of Default shall be in writing, signed by the Executive Director or his/her designee, state in detail the nature of the Default, state the cure period and terms of cure, the remedy that may be imposed if the Default is not cured within the time permitted and not properly contested as permitted herein, and shall be delivered by first class mail, overnight courier delivery or personal delivery to the Grantee's address provided in Schedule 1 or updated address provided pursuant to this Agreement.
3. The Executive Director has authority to modify or waive remedies for Grantee's Default. The decision of the Executive Director, in his or her complete discretion, shall be final.

B. Remedies. Remedies for Grantee's Default, to be determined at the discretion of the Port's Executive Director, include but are not limited to:

1. Recovery of any or all of the Grant funds provided hereunder;
2. Suspension or cancellation of this Agreement (with no prejudice to any rights or remedies of the Port with respect to any Defaults);
3. A ban on the Grantee's ability to participate in the Clean Trucks Program or future grants or incentive programs of the Port;
4. Repossession of each Grant Vehicle;
5. An event of default may be declared under the Concession Agreement between the Port and Grantee; and
6. Such other rights and remedies that the Port may have (as a secured party or otherwise) under applicable law or in equity.

In no event shall any payment by the Port constitute a waiver by the Port of any breach of this Agreement or any Default, which may then exist on the part of Grantee. Neither shall such payment impair or prejudice any remedy available to the Port with

respect to the breach or Default. The rights and remedies of the Port under this Agreement, the Concession Agreement and all other agreements shall be cumulative. No exercise by the Port of one right or remedy shall be deemed an election. No delay by the Port shall constitute a waiver, election, or acquiescence by it. A failure of the Port to enforce the Agreement upon a breach or default shall not waive the breach or default or any other breach or default. All waivers shall be in writing.

#### **11. INDEMNIFICATION**

Except for the sole negligence or willful misconduct of the Port, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, Grantee undertakes and agrees to defend, indemnify and hold harmless the Port and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the Port, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Grantee's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement by Grantee or its subcontractors of any tier. Rights and remedies available to the Port under this provision are cumulative of those provided for elsewhere in this Agreement and those allowed under the laws of the United States, the State of California, and the City of Los Angeles.

#### **12. RECORD KEEPING**

Grantee shall maintain records sufficient to provide, on an annual basis, information regarding Drayage Service Trips, insurance, vehicle maintenance, Grant Application, Grant award, this Agreement, reporting requirements and any other available information that may be reasonably necessary to determine Grantee's compliance with this Agreement for at least one (1) year after the later of satisfaction of all Grantee obligations hereunder for such Grant Vehicle or termination of this Agreement. Records shall be readily available and accessible to the Port or its designated representative upon request for the purposes of auditing compliance.

#### **13. NOTICES**

In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage prepaid. When so given, such notice shall be effective from the date of mailing of the same. For the purposes hereof, unless otherwise provided by notice in writing from the respective parties, all notices to the Grantee shall be addressed to it at the Business Address set forth in Schedule 1 and all notices to the Port shall be addressed to: Clean Truck Program – Grant Administrator, Los Angeles Harbor Department, P.O. Box 151,

San Pedro, California 90733-0151. Nothing herein contained shall preclude or render inoperative service of such notice in the manner provided by law.

**14. GOVERNING LAW; VENUE**

This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of law, rules and principles of such State. The parties agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

**15. SEVERABILITY**

It is understood that if a court holds a specific provision within this Agreement invalid, the remaining provisions of this Agreement continue in effect.

**16. COMPLIANCE WITH APPLICABLE LAWS**

Grantee shall at all times in the performance of its obligations comply with all applicable laws, statutes, ordinances, rules and regulations, and with the reasonable requests and directions of Executive Director.

**17. COUNTERPART EXECUTION**

This Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which taken together shall constitute but one and the same agreement. Not less than two (2) counterpart originals of this Agreement shall be signed by each of the parties hereto, with one (1) such original to be delivered to, and retained by, Grantee and all other originals to be delivered to, and retained by, the Port.

**18. ENTIRE AGREEMENT; AMENDMENTS**

This Agreement constitutes the entire Agreement between Grantee and the Port with respect to the subject matter hereof and supersedes all previous negotiations, proposals, commitments, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly included in this Agreement. No amendment to this Agreement shall be effective unless in writing and signed by the Port and Grantee.

**19. NO THIRD-PARTY BENEFICIARIES**

This Agreement is being entered into solely for the benefit of the Port and Grantee, and no other person, firm, corporation, or entity shall be deemed an intended third-party beneficiary of this Agreement.

**20. EXHIBITS; ARTICLES**

All schedules and exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement, whether or not actually attached. To the extent the terms of an exhibit conflict with or appear to conflict with the terms of the body of the Agreement, the terms of the body of the Agreement shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized representatives.

**GRANTEE:**

Date: \_\_\_\_\_

**<GRANTEE NAME>**

By: \_\_\_\_\_

Name:

Title:

**PORT:**

Date: \_\_\_\_\_

**CITY OF LOS ANGELES,**  
a municipal corporation, by and through  
its Board of Harbor Commissioners

By \_\_\_\_\_

Name: Geraldine Knatz

Title: Executive Director, Harbor Department

Attest \_\_\_\_\_

Secretary

APPROVED AS TO FORM AND LEGALITY:

Date: \_\_\_\_\_  
CARMEN A. TRUTANICH, City Attorney  
Thomas A. Russell, General Counsel

By \_\_\_\_\_  
Assistant/Deputy City Attorney

Account # _____	W.O. # _____
Ctr/Div # _____	Job Fac. # _____
Proj/Prog # _____	
Budget FY:    Amount:	
TOTAL	
For Acct/Budget Div. Use Only:	
Verified by: _____	
Verified Funds Available: _____	
Date Approved: _____	

**SCHEDULE 1  
GRANTEE INFORMATION**

Grantee confirms to the Port that the following information is true and correct and shall immediately advise the Port in writing if any of such information changes or ceases to be true and correct.

1.1 Legal Company Name: \_\_\_\_\_

\_\_\_\_\_

1.2 Form of Entity and State of Incorporation/Organization/Partnership/Domicile:

\_\_\_\_\_

1.3 Business Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

1.4 Key Company Contact for Grant: \_\_\_\_\_

Telephone: \_\_\_\_\_ Facsimile: \_\_\_\_\_

E-mail: \_\_\_\_\_

1.5 Port of Los Angeles Concession No.: \_\_\_\_\_

As of the date of this Agreement the Grantee company is in good standing and is not in violation of the Concession Agreement.

1.6 LABAVN VSBE Registration No.: \_\_\_\_\_

**SCHEDULE 2  
GRANT VEHICLE INFORMATION**

**Section 1: Grant Vehicle Information**

Vehicle Make	Vehicle Model	Vehicle Model Year	GVWR
VIN (Vehicle Identification Number)		License Plate	State of Registration

**Section 2: Licensed Dealership Information**

Dealership Name	License No.	Address	
Sales Representative	Phone	E-mail	

**Section 3: Grant Vehicle Engine Information**

Engine Make	Engine Model	Engine Model Year	Engine Serial Number
Fuel Type <input type="checkbox"/> Diesel <input type="checkbox"/> LNG <input type="checkbox"/> Other	Horsepower	Engine Family Name	

**Section 4: Total Cost and Funding for Grant Vehicle and Funding**

Equipment Cost	\$
Tax	+ \$
Dealer Fees	+ \$
<b>TOTAL VEHICLE COST</b>	<b>= \$</b>
Financed Amount	\$
Lender and Term	<b>[Lender Name] [X Years]</b>
VSBE Grant Amount	\$
Grantee's Cash Amount	\$
<b>TOTAL ALL SOURCES OF PAYMENT</b>	<b>= \$</b>

**Section 5: Contract Documents**

<input type="checkbox"/> Grant Vehicle Dealership Sales Invoice
<input type="checkbox"/> Grant Vehicle Inspection
<input type="checkbox"/> Financing Approval from Grantee's Lender (if financing is used)

### **SCHEDULE 3 REQUIRED INSURANCE**

The City of Los Angeles requires Grantee to procure and maintain the following insurance.

A. Grant Vehicle Physical Damage Insurance

Grantee is responsible for securing and maintaining physical damage insurance (comprehensive, collision, fire and theft) for each Grant Vehicle on a full replacement cost basis (and, in any event, in an amount sufficient to repay the Grant provided to Grantee under this Agreement) in case of major damage to such Grant Vehicle at any time during the Term for such Grant Vehicle.

B. General Liability Insurance

Grantee shall procure and maintain in effect throughout the term of this Agreement, without requiring additional compensation from the City, commercial general liability insurance covering personal and advertising injury, bodily injury, and property damage providing contractual liability, independent contractors, products and completed operations, and premises/operations coverage within Grantee's normal limits of liability but not less than One Million Dollars (\$1,000,000) combined single limit for injury or claim. Said limits shall provide first dollar coverage except that Executive Director may permit a self-insured retention or self-insurance in those cases where, in his or her judgment, such retention or self-insurance is justified by the net worth of Grantee. The retention or self-insurance provided shall provide that any other insurance maintained by the Harbor Department shall be excess of Grantee's insurance and shall not contribute to it. In all cases, regardless of any deductible or retention, said insurance shall contain a defense of suits provision and a severability of interest clause. Additionally, each policy shall include an additional insured endorsement (CG 2010 or equivalent) naming the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds, a 10-days' notice of cancellation for nonpayment of premium, and a 30-days notice of cancellation for any other reasons.

C. Automobile Liability Insurance

Grantee shall procure and maintain at its expense and keep in force at all times during the term of this Agreement for all Grant Vehicles, automobile liability insurance written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best's Insurance Guide (or an alternate guide acceptable to City if Best's is not available) within Grantee's normal limits of liability but not less than One Million Dollars (\$1,000,000) covering damages, injuries or death resulting from each accident or claim arising out of any one claim or accident. Said insurance shall protect against claims arising from actions or operations of the insured, or by its employees. Coverage shall contain a defense of suits provision and a severability of interest clause. Additionally, each policy shall include an additional insured endorsement (CG 2010 or equivalent) naming the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds, a 10-days notice of cancellation for nonpayment of premium, and a 30-days notice of cancellation for any other reasons.

D. Workers' Compensation and Employer's Liability

Grantee shall certify that it is aware of the provisions of Section 3700 of the California Labor code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that Grantee shall comply with such provisions before commencing the performance of the tasks under this Agreement. Grantee shall submit Workers' Compensation policies whether underwritten by the state insurance fund or private carrier, which provide that the public or private carrier waives its right of subrogation against the City in any circumstance in which it is alleged that actions or omissions of the City contributed to the accident.

E. Carrier Requirements

All insurance which Grantee is required to provide pursuant to this Agreement shall be placed with insurance carriers authorized to do business in the State of California and which are rated A-, VII or better in Best's Insurance Guide. Carriers without a Best's rating shall meet comparable standards in another rating service acceptable to City.

F. Notice of Cancellation

Each insurance policy described above shall provide that it will not be canceled or reduced in coverage until after Risk Manager of the Port have each been given thirty (30) days' prior written notice by registered mail addressed to 425 S. Palos Verdes Street, San Pedro, California 90731.

G. Renewal of Policies

At least thirty (30) days prior to the expiration of each policy, Grantee shall direct their insurance broker or agent to submit to the Clean Truck Program Administrator a renewal endorsement or renewal certificate showing that the policy has been renewed or extended or, if new insurance has been obtained, evidence of insurance as specified above.

H. Accident Reports

Grantee shall report in writing to Executive Director within fifteen (15) calendar days after it, its officers or managing agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess of Five Hundred Dollars (\$500.00) to property, occurring upon the premises, or elsewhere within the Port of Los Angeles if Grantee's officers, agents or employees are involved in such an accident or occurrence. Such report shall contain to the extent available (1) the name and address of the persons involved, (2) a general statement as to the nature and extent of injury or damage, (3) the date and hour of occurrence, (4) the names and addresses of known witnesses, and (5) such other information as may be known to Grantee, its officers or managing agents.

## SCHEDULE 4 CITY REQUIRED CONTRACT PROVISIONS

The City of Los Angeles requires all City contracts to contain the following provisions. References in Schedule 4 to "Contractor" shall apply to Grantee.

1. Affirmative Action. Contractor agrees not to discriminate in its employment practices against any employee or applicant for employment because of employee's or applicant's race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition. All subcontracts awarded under or pursuant to this Agreement shall contain this provision. The provisions of Section 10.8.4 of the Los Angeles Administrative Code are incorporated herein and made a part hereof.

2. Conflict of Interest. It is hereby understood and agreed that the parties to this Agreement have read and are aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the California Government Code relating to conflict of interest of public officers and employees, as well as the Los Angeles Municipal Code (LAMC) Municipal Ethics and Conflict of Interest provisions of Section 49.5.1 et seq. and the Conflict of Interest Codes of the City and Department. All parties hereto agree that they are unaware of any financial or economic interest of any public officer or employee of City relating to this Agreement. Notwithstanding any other provision of this Agreement, it is further understood and agreed that if such financial interest does exist at the inception of this Agreement, Port may immediately terminate this Agreement by giving written notice thereof.

3. Small/ Very Small Business Development Program. It is the policy of the Port to provide Small Business Enterprises (SBE), Very Small Business Enterprises (VSBE) and Minority-Owned, Women-Owned, Disabled Veteran Business Enterprises and all Other Business Enterprises (SBE/VSBE/MBE/WBE/DVBE/OBE) an equal opportunity to participate in the performance of all City contracts in all areas where such contracts afford such participation opportunities. Grantee shall assist the City in implementing this policy and shall use its best efforts to afford the opportunity for SBEs, VSBEs, MBEs, WBEs, DVBEs, and OBEs to achieve participation in subcontracts where such participation opportunities present themselves and attempt to ensure that all available business enterprises, including SBEs, VSBEs, MBEs, WBEs, DVBEs, and OBEs, have equal participation opportunity which might be presented under this Agreement. See Exhibit A. NOTE: Prior to being awarded a contract with the Port, Grantee and all Subcontractors must be registered on the City's Contracts Management and Opportunities Database, Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org>. **Based on the work to be performed, it has been determined that the percentage of small business participation will be 100%, including 100% VSBE participation.** Grantee shall complete the Affidavit of Company Status verifying its status as a VSBE, attached as Exhibit A to Schedule 4.

4. Business Tax Registration Certificate. The Grantee represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, Sections 21.09 et seq. of the Los Angeles Municipal Code). The Grantee shall maintain, obtain as necessary, all such Certificates required of it under said Ordinance and shall not allow any such Certificate to be revoked or suspended.

5. Taxpayer Identification Number (TIN). Grantee declares that its authorized Taxpayer Identification Number (TIN) is \_\_\_\_\_. No payments will be made under this Agreement without a valid TIN.

6. Service Contractor Worker Retention Policy And Living Wage Policy Requirements. The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution No. 5771 on January 13, 1999, agreeing to adopt the provisions of Los Angeles City Ordinance No. 171004 relating to Service Contractor Worker Retention (SCWR), Section 10.36 et seq. of the Los Angeles Administrative Code, as the policy of the Department. Further, Charter Section 378 requires compliance with the City's Living Wage requirements as set forth by ordinance, Section 10.37 et seq. of the Los Angeles Administrative Code. Grantee shall comply with the policy wherever applicable. Violation of this provision, where applicable, shall entitle the Port to terminate this Agreement and otherwise pursue legal remedies that may be available.

7. Wage and Earnings Assignment Orders/Notices of Assignments. The Grantee or any subcontractor is obligated to fully comply with all applicable state and federal employment reporting requirements for the Grantee's and/or subcontractor's employees. The Grantee and/or subcontractor shall certify that the principal owner(s) are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally. The Grantee or subcontractor shall fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with Cal. Family Code §§ 5230 et seq. The Grantee or subcontractor shall maintain such compliance throughout the term of the Agreement.

8. Equal Benefits Policy. The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution No. 6328 on January 12, 2005 agreeing to adopt the provisions of Los Angeles City Ordinance 172,908 as amended, relating to Equal Benefits, Section 10.8.2.1 et seq. of the Los Angeles Administrative Code, as a policy of the Harbor Department. Grantee shall comply with the policy wherever applicable. Violation of the policy shall entitle the Port to terminate any Agreement with contractor and pursue any and all other legal remedies that may be available.

9. State Tidelands Grants. This Agreement is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this Agreement is at all times subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled "An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 3, 1929, (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of

the City of Los Angeles relating to such lands. Grantee agrees that any interpretation of this Agreement and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

10. Termination Due To Non-Appropriation Of Funds. This Agreement is subject to the provisions of the Los Angeles City Charter which, among other things, precludes the City of Los Angeles (the "City") from making any expenditure of funds or incurring any liability, including contractual commitments, in excess of the amount appropriated thereof. The Port, in awarding this Agreement, is expected to appropriate sufficient funds to meet the estimated expenditure of funds through June 30 of the current fiscal year and to make further appropriations in each succeeding fiscal year during the life of the Agreement. However, the Board is under no legal obligation to do so. The City, its boards, officers, and employees are not bound by the terms of this Agreement or obligated to make payment thereunder in any fiscal year in which the Board does not appropriate funds therefore. Participant is not entitled to any compensation in any fiscal year in which funds have not been appropriated for the Agreement by the Board. Although Participant is not obligated to perform any work under the Agreement in any fiscal year in which no appropriation for the Agreement has been made, Participant agrees to resume performance of the work required by the Agreement on the same terms and conditions for a period of sixty (60) days after the end of the fiscal year if an appropriation therefore is approved by the Board within that 60 day period. Participant is responsible for maintaining all insurance and bonds during this 60 day period until the appropriation is made; however, such extension of time is not compensable. If in any subsequent fiscal year funds are not appropriated by the Board for the work required by the Agreement, the Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

11. Compliance With Los Angeles City Charter Section 470(C)(12). The Grantee, subcontractors, and their principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the agreement is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Grantee is required to provide and update certain information to the City as specified by law. Any Grantee subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this Agreement:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Section 470(c)(12) and related ordinances, you are a subcontractor on Harbor Department Agreement No. \_\_\_\_\_. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City

office for 12 months after the Agreement is signed. Subcontractor is required to provide to Grantee names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information must be provided to Grantee within 10 business days. Failure to comply may result in termination of the Agreement or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213-978-1960.

Grantee, subcontractors, and their principals shall comply with these requirements and limitations. Violation of this provision shall entitle the Port to terminate this Agreement and pursue any and all legal remedies that may be available.

EXHIBIT A TO SCHEDULE 4

AFFIDAVIT OF COMPANY STATUS

"The undersigned declares under penalty of perjury pursuant to the laws of the State of California that the following information and information contained on the attached Contractor Description Form is true and correct and include all material information necessary to identify and explain the operations of

Name of Firm

as well as the ownership thereof. Further, the undersigned agrees to provide either through the prime consultant or, directly to the Harbor Department, complete and accurate information regarding ownership in the named firm, any proposed changes of the ownership and to permit the audit and examination of firm ownership documents in association with this agreement."

Please indicate the ownership of your company: [ ]SBE [ ]VSBE [ ]MBE [ ]WBE [ ]DVBE [ ]OBE

- A Small Business Enterprise (SBE) is an independently owned and operated business that is not dominant in its field and meets criteria set forth by the Small Business Administration in Title 13, Code of Federal Regulations, Part 121.
A Very Small Business Enterprise (VSBE) is 1) a small business that has average annual gross receipts of \$3,500,000 or less within the previous three years, or (2) a small business manufacturer with 25 or fewer employees.
A Minority Business Enterprise (MBE) is defined as a business in which a minority owns and controls at least 51% of the business. A Woman Business (WBE) is defined as a business in which a woman owns and controls at least 51% of the business. For the purpose of this project, a minority includes:
(1) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
(2) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);
(3) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, The Indian Subcontinent, or the Pacific Islands); and
(4) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
A Disabled Veteran Business Enterprise (DVBE) is defined as a business in which a disabled veteran owns at least 51% of the business, and the daily business operations are managed and controlled by one or more disabled veterans.
An OBE (Other Business Enterprise) is any enterprise that is neither an SBE, VSBE, MBE, WBE, or DVBE.

Signature
Printed Name

Title
Date Signed

NOTARY

On this \_\_\_ day of \_\_\_ 20\_\_\_, before me appeared \_\_\_ to me personally known, who being duly sworn, did execute the
Name

foregoing affidavit, and did state that he/she was properly authorized by \_\_\_
Name of Firm

to execute the affidavit and did so as his or he free act and deed.

SEAL

Notary Public
Commission Expires

### Contractor Description Form

#### PRIME CONTRACTOR

Contract #: \_\_\_\_\_ Award Date: \_\_\_\_\_ Contract Term: \_\_\_\_\_  
Contract Title: \_\_\_\_\_  
Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Check all that apply)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: (     ) \_\_\_\_\_ FAX: (     ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_

#### SUBCONTRACTOR

Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Services to be provided: \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Check all that apply)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: (     ) \_\_\_\_\_ FAX: (     ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_

#### SUBCONTRACTOR

Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Services to be provided: \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Check all that apply)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: (     ) \_\_\_\_\_ FAX: (     ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email address: \_\_\_\_\_